

Uniform Electronic Local Return and Remittance Advisory Committee

Meeting of December 8, 2005

MINUTES

The Uniform Electronic Local Return and Remittance Advisory Committee Meeting were held at the Cypress Bend Resort in Many, LA at 8:00 AM.

Committee members present were: Mark West, Chairman, Roy Austin, Cynthia Boudreaux, and Henri Louapre by telephone.

Cynthia Bridges was not available. Ray Tangney, Senior Policy Consultant stood in her place.

Others in attendance were: George Marretta, Donna Andries, Tim Cefalu, Carl Meche, Michael Curtis, Bobby Craig, Ray Tangney, Barry Dufrene, Rufus Fruge, Rick Mekdessie

The minutes of the November 10, 2005 meeting were not available to be adopted.

The committee received an opinion from Alva Smith, Attorney with the Department of Revenue concerning open meetings law about meeting with potential vendors. He stated that there were no exceptions under the open meetings law to meet with the vendors in executive session. Mark West suggested that we invite customers of the software vendors, both government and business, to come in and demonstrate to the Committee how they use their online software. We can also invite the vendor for their sales pitch in an open meeting. We will use all of this information to prepare the RFP.

The committee had an in-depth discussion concerning ACH credits and ACH debits. Based on a meeting between members of the Banking Committee and representatives from a local bank, it was understood that most banks, if not all, can accept ACH credits. (One of the most common examples of an ACH credits is payroll direct deposits. In this example, the employee or payee receives their salary via a direct deposit to their bank account after the employer or payer originates the ACH credit.) But, in regard to ACH debits, the Banking Committee was informed that some banks do not offer this service to their customers, such as local tax collectors. It was predicted that this lack of ability was more probable with smaller banks in the more rural parishes. (In an ACH debit, the payee is responsible for originating the transaction after receiving essential payer information such as routing number, account number, amount and payer. After the payee receives this information from the payer, it is submitted, via the internet, to payee's bank in the form of a NACHA file whereby the bank transfers the fund from the payer's to the payee's account. Transactions using ACH debit are very similar to traditional paper checks, except it is all done electronically.) It was also mentioned by Mark West that he was concerned about reconciliation issues that collectors may have if they receive a large

volume of ACH credits. Perhaps a resolution to that would be to restrict the people that are allowed to use ACH credit. Roy Austin stated that if there are too many restrictions, it may stifle businesses willingness to utilize the system.

The 2nd survey was sent out November 10, 2005 with a 15 day response time. We received 37 responses out of 63, which leaves 26 parishes that did not respond. Mark assigned neighboring parish administrators to call those parishes that did not respond. A 3rd survey will be sent out sometime in December. Three parishes that are severely limited are Orleans, Plaquemines, and St. Bernard due to Hurricane Katrina. We may not get any response from those 3 parishes.

Mark is anxious to get the website up and running to show that the committee is making progress. After receiving the responses from the parishes, the committee will send out by certified mail, a confirmation to each of the parishes to assure we have the correct information.

Discussion was held on the RFP Process:

The Advisory Committee will create a RFP. It must be legal in nature, as well as, having specific technical information. The Committee will assign points to the requirements. After receiving the RFP's, the Division of Administration will review it. After the RFP is released to the public/vendors, the vendors can discuss the details with only one designated contact person, such as Naomi or John with the LDR. The Advisory Committee cannot have contact with the vendors at this point. After the bids are made, the Division of Administration evaluates and awards the project. At this point, the Advisory Committee may reject all bids. Henri Louapre believes that the RFP may be amended after the initial release but before the review by the Division of Administration. The amendment(s) are often generated by discussion between the prospective vendors that the state contact person and is added to attempt to clarify issues.

Ray Tangney will ask someone from the Division of Administration to be at our next meeting on January 6, 2006 to discuss the RFP process.

The meeting dates for 2006 will be the 2nd Thursday of each month. They will be held at the Department of Revenue office in Baton Rouge, with the exception of the quarterly LATA conferences. Then the meeting will be held in conjunction with the conference.

There being no further agenda items or public comments, it was moved by Mr. Boudreaux, seconded by Chairman West, and carried that the meeting be adjourned.

Chairman West declared adjournment of the meeting.

Respectfully submitted by:

Mark West, Chairman